



**State of Louisiana**  
Division of Administration  
**Office of State Uniform Payroll**

May 14, 2009

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2009-44

TO: All ISIS HR Paid Agencies

FROM: Andrea P. Hubbard  
Director

SUBJECT: American Recovery and Reinvestment Act (ARRA), COBRA Premium Assistance

During the Office of Group Benefits' (OGB) agency annual enrollment workshops, material was presented relating to the COBRA subsidy provisions of the American Recovery and Reinvestment Act of 2009 (ARRA). This memorandum is to advise ISIS HR paid agencies of the steps that will be taken to comply with the COBRA subsidy provisions of the ARRA and what entity will be responsible for completing these steps.

OGB will be responsible for:

- Sending out all required notices to individuals who terminated employment on or after September 1, 2008 but not later than December 31, 2009.
- Administering the COBRA continuation coverage enrollment.
- Determining who is an assistance eligible individual (individual who qualifies for COBRA subsidy due to involuntary termination during the eligible period).
- Bill for and collect the individual's 35% COBRA premium.
- Bill the participating employer for the 65% employer premium. **Agencies will see a new section in their monthly OGB invoice that contains information on these individuals. ISIS HR paid agencies are not required to work this section of their invoice, nor pay the 65% employer premium.**

The Office of State Uniform Payroll (OSUP) will be responsible for:

- Receiving the employer billing for ISIS HR paid agencies from OGB.
- Recouping the 65% employer share by taking a credit against withholding and FICA payroll taxes and reporting the credit on IRS form 941.
- Transmitting the 65% employer share to OGB via AFS entries.

Agencies will be responsible for:

- Completing OGB form GB01.
- Documenting the reason for the termination on form GB01.
- Forwarding the completed and signed form GB01 to OGB.

Additional information regarding the determination of involuntary termination may be found on the IRS website at <http://www.irs.gov/pub/irs-drop/n-09-27.pdf>. Questions regarding the COBRA subsidy should be directed to either the agency's OGB contact in Billing or Eligibility, as appropriate. Other questions should be directed to Jodi Bullock at (225) 342-5345 or [Jodi.Bullock@la.gov](mailto:Jodi.Bullock@la.gov).

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